

THE IMPACT OF CELEBRITY ENDORSEMENT ON BRAND IMAGE

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ABSTRACT

To introduce a product to the public company should provide information about the product that will be introduced to the public and the information must be trusted information and can attract the public attention. To introduce a product to the public at this time requires a lot of means and facilities. One of the examples is advertising. Ads become one of the most instruments used widely by the company to promote a product. In order to support an ad in providing information and attract the attention of the public, a company will use endorser. Research objectives are to analyze the influence of celebrity endorser and the variable to brand image. Theories supporting this research are consumer behaviour, celebrity endorser, and brand image. The population observed in this current research is people that watch the advertising with sample as many as 50 customers or respondents. Results and conclusions are that all variables of celebrity endorser (credibility, attractiveness, expertise, trustworthiness, and celebrity match-up product) influence brand image with credibility is the most influencing variable.

Keywords: *celebrity endorser, brand image*

INTRODUCTION

Research Background

At this time, many entrepreneurs produce variety kind of products, competition become very competitive and challenge the entrepreneurs to be more creative in promoting their products, and consumers will be interest with the product. To introduce a product to the public company should provide information about the product that will be introduced to the public and the information must be trusted information and can attract the public attention. To introduce a product to the public at this time requires a lot of means and facilities. One of the examples is advertising. Ads become an instrument to introduce a product to the public. Current advertisements are often found anywhere either through television, print media, billboards, advertising agencies, and many more. Ads become one of the most instruments used widely by the company to promote a product. In order to support an ad in providing information and attract the attention of the public, a company will use endorser.

Endorsement is a channel of brand communication in which a celebrity acts as the brand's spokesperson and certifies the brand's claim and position by extending his/her personality, popularity, stature in the society or expertise in the field to the brand. In a market with a very high proliferation of local, regional and international brands, celebrity endorsement was thought to provide a distinct differentiation (Roll, 2006 in Mukherjee, 2009). According to McCracken's (1989) in Mukherjee (2009), a celebrity endorser is defined as any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. Therefore, to become celebrity endorser could be from any profession like actor, sportsman, entrepreneurs, etc. Today people can see the celebrity endorser in a commercial that aired or printed anywhere. Nowadays artist dominate being endorsers like Agnes Monica, Dewi Sandra, Asmiranda and so on. In addition, many use sportsmen like Bambang pamungkas, Taufik Hidayat, Chris Jhon, etc and many other profession that are used as endorsers. Through the celebrity endorsers, company expects that they can give a great impact on brand image.

Research Problem

1. Does celebrity endorser influence the brand image?
2. Which variable of celebrity endorser has the most significant influence on brand image?

Research Objectives

1. To analyze the influence of celebrity endorser to brand image
2. To analyze the variable of celebrity endorser that influence on brand image.

Research Usefulness

1. To give contribution in scientific work about celebrity endorsers and to extend knowledge about marketing especially advertising.
2. To provide information to company in making decision to promotion company's product in using celebrity endorsers and for continuity and successful of the company.
3. This research can be reference to researcher about how celebrity endorsers influence brand image.

THEORETICAL FRAMEWORK**Celebrity Endorser**

A celebrity endorser is any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCraacken, 1989 in Erfgen, 2011). Further, McCraacken (1989) in Hakimi et al. (2011) stated that a celebrity endorser is a public figure who has great popularity representing a brand in an advertisement. In addition, celebrity endorsement advertisements have been known as a ubiquitous feature of modern marketing (McCracken, 1989 in Hakimi et al. 2011). Celebrity is an omnipresent feature of society, blazing lasting impressions in the memories of all who cross its path (Kurzman et al. 2007 in Dimed and Joulyana, 2005).

Credibility of the Endorser

Credibility is the extent to which the receiver sees the source as having relevant knowledge, skills, experience and trust to give unbiased and objective information. Source credibility is used to imply a communicator's positive characteristics that will affect the receiver's acceptance of message (Ohanian, 1990 in Farhat and Khan, 2011). The source credibility model states the effectiveness of the advertisement is based on the knowledge and trustworthiness of the endorsing company and it is heightened (Lafferty et al, 2002 in Hakimi et al. 2011).

Attractiveness of Endorser

An attractive celebrity affects and the brand they endorse especially given their 'star' status and their physical attractiveness (Kamins, 1990 in Hakimi et al. 2011). A definition of attractiveness as a variable is difficult to define in that the assumption is made that beauty is in the eye of the beholder. It therefore follows that few can agree on what is beautiful (Joseph, 1982).

Expertise of the Endorser

According to Hovland et al. (1991) in Hakimi et al. (2011), claims that the endorser's real expertise is irrelevant and if customers see the endorsers as knowledgeable then that is all that matters. Aaker and Meyers (1987) in Hakimi et al. (2011) advocated that a celebrity who is knowledgeable about the product he or she is endorsing will be better able to get people to buy the products from the advertised brand.

Trustworthiness of Endorser

According to Shimp (1997) in Hakimi et al. (2011), advertisers use this criterion of trustworthiness by choosing celebrities or endorsers who are known for their honesty. Smith (1973) in Hakimi (2011) indicated that consumers do not like dishonest celebrity endorsers since the message they carry becomes questionable even if the product itself has great qualities. According to Friedman et al. (1978) in Hakimi et al. (2011), trustworthiness is the main criteria for source credibility and discovered that likeability is one of the most crucial avenues for trust.

Celebrity Match-up Product

Forkan and Kamins (1980, 1990) in Hakimi et al. (2011) performed several experiments in order to test out the Product Match-up hypothesis that messages portrayed by a celebrity image and the product's message should go hand in hand for the endorsement to work. Advertising a product through a viable celebrity figure with a high product fit creates a higher level of believability (Kamins and Gupta, 1994; Kotler, 1997 in Hakimi et al. 2011).

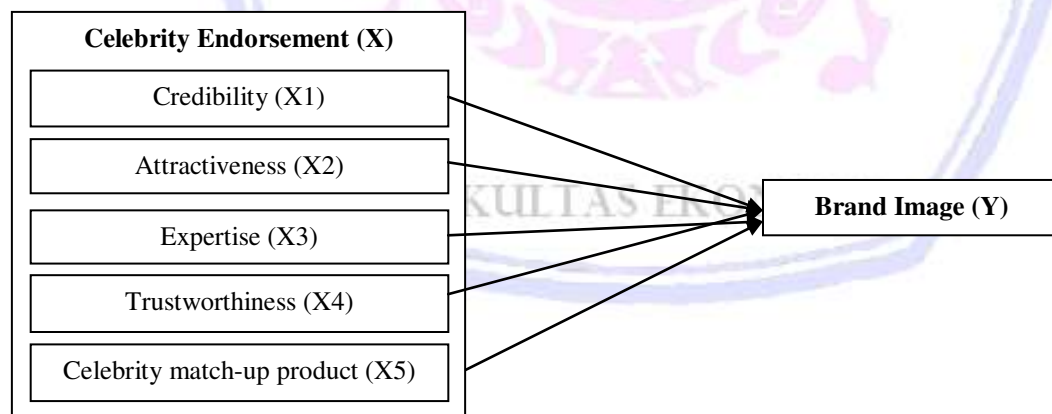
Brand Image

Brand image is the way public actually perceives them. For the right image to be established in the mind of consumers, the marketer must convey brand identity through every available communication vehicle and brand (Kotler et al. 2009). According to Chernatony and McWilliam (1989) in Huang et al. (2008), the meaning and function of brand image can be illustrated as follows : (a) Brand image is an identifiable design, (b) brand image is a consistent promise and guarantee of quality, and consumers can feel the consideration and added value before and after purchase, (c) brand image is a self image reflection and symbol to consumers themselves and others, and (d) brand image delivers a relative product information to assist consumers making purchase decision.

Previous Research

Mukherjee (2009) examined the relationship between celebrity endorsement and brands, the impact of celebrity endorsement on consumer's buying behaviour, as well as how consumer makes brand preferences and proposed 20 points model which can be used as blue-print criteria and can be used by brand managers for selecting celebrities and capitalizing the celebrity resource through 360 degree brand communication. Hakimi et al. (2011) identified 24 brand image drivers related to celebrity, message, advertising channel, recipient characteristics through a systematic analysis of 36 empirical studies, and found that credibility and high image-based congruence are the most important celebrity characteristics. Erfgen (2011) investigated the influence of celebrity endorsement as a promotional technique in Malaysia's markets by studying how much Malaysian consumer behaviours were affected by celebrity endorsement, and discovering the factors of celebrity endorsement that can affect the brand image.

Figure 1 Conceptual Framework



Research Hypothesis

- H1 : Celebrity endorser influences brand image simultaneously.
 H2 : Celebrity endorser influences brand image partially

RESEARCH METHOD

Sources of Data

This research will be conducted with two sources of data: primary data originated by the researcher specifically to address the research problem through the result of questionnaires and secondary data collected for some purpose other than the problem at hand which is taken from books, journals, and relevant literature from library and internet.

Population and Sample

According to Sekaran (2009), population is the entire group of people, events, of things of interest that the researcher wishes to investigate. The population that is mainly observed in this current research is all people that watch out the advertising.

According to Sekaran (2009), a sample is a part of the population. The sample of this research is the people in Manado as many as 50 customers or respondents.

Operational Definition and Measurement of Research Variables

Definition of research variables are:

1. Credibility (X1) is the real effectiveness of celebrity endorsement for a product depends very much on the source credibility of the chosen celebrity.
2. Attractiveness (X2) refers to attractiveness (physical or non physical) will affect the effectiveness of a celebrity as endorser and celebrity has their own attraction to attract consumers because celebrity has been known of public.
3. Expertise (X3) can be described as the extent a messenger or communicator is perceived to be a valid source of knowledge.
4. Trustworthiness (X4) refers to the honesty and integrity of the celebrity endorser derived from the customers' point of view.
5. Celebrity match-up product (X5) refers to match-up with the product that they advertised where people judge the celebrity and the product being advertised whether the product appropriate or not.
6. Brand image (Y) is the current view of the customers about a brand.

Those research variables will be measured using Likert scale as a widely used rating scale that requires the respondents to indicate a degree of agreement or disagreement with each of a series of statements about the stimulus objects.

Data Analysis Technique

Reliability and Validity Test

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. Several types of validity test are used to test the goodness of measures. (Sekaran, 2009). The reliability of a measure indicates the extent to which it is without bias (error free) and hence ensures consistent measurement across time and across the various items in the instrument. In other words, the reliability of measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the "goodness" of a measure. Alpha Cronbach is reliable coefficients that can indicate how good items in asset have positive correlation one another. (Sekaran, 2009)

Multiple Regression Analysis Model

Multiple regression is a statistical technique that simultaneously develops a mathematical relationship between two or more independent variables and an interval-scaled dependent variable.

The formula of multiple regression models in this research is shown as follows:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5$$

Description:

Y	=	Brand Image
a	=	Intercept
b1, b2, b3, b4, b5	=	the regression coefficient of each variable
x1	=	Credibility
x2	=	Attractiveness
x3	=	Expertise
x4	=	Trustworthiness
x5	=	Celebrity mach-up product

RESULT AND DISCUSSION

Result

The value of Alpha Cronbach is 0,779 indicated that instrument of data is acceptable. The value of correlations index of each variable is good because the values are above 0.30 and the significance level less than 0.05 (5%) so the instrument of the data is considered as valid.

Table 1 The Multiple Linear Regression Output

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.416	.366		1.136	.262					
Credibility	.504	.067	.558	7.482	.000	.788	.748	.493	.780	1.282
Attractiveness	.185	.086	.166	2.148	.037	.541	.308	.141	.726	1.378
Expertise	.124	.048	.190	2.548	.014	.544	.359	.168	.779	1.284
Trustworthiness	.077	.038	.154	2.043	.047	.518	.294	.135	.760	1.316
Celebrity Match-up product	.086	.041	.167	2.114	.040	.575	.304	.139	.692	1.444

a. Dependent Variable: Brand Image

Source: Data Processed 2012

The result from table 1 is $Y = 0.416 + 0.504x_1 + 0.185x_2 + 0.124x_3 + 0.077x_4 + 0.086x_5$ with interpretation as follows:

1. Constant (a) = 0.416. Constant value shows the variable credibility (X1), attractiveness (X2), expertise (X3), trustworthiness (X4) and celebrity Match-up product (X5) on brand image (Y). If all independent variables equal to zero then the impact on brand image will be 0.416.
2. Coefficient b1 = 0.504. The value of coefficient b1 is 0.504 if the values of the other variables are constant or equal to zero by increasing in X1 (credibility) then the Y (brand image) will be increased by 0.504.
3. Coefficient b2 = 0.185. The value of coefficient b2 is 0.186 if the values of the other variables are constant or equal to zero by increasing in X2 (attractiveness) then the Y (brand image) will be increased by 0.185.
4. Coefficient b3 = 0.124. The value of coefficient b3 is 0.124 if the values of the other variables are constant or equal to zero by increasing in X3 (expertise) then the Y (brand image) will be increased by 0.124.
5. Coefficient b4 = 0.077. The value of coefficient b4 is 0.077 if the values of the other variables are constant or equal to zero by increasing in X4 (trustworthiness) then the Y (brand image) will be increased by 0.077.
6. Coefficient b5 = 0.086. The value of coefficient b5 is 0.086 if the values of the other variables are constant or equal to zero by increasing in X5 (celebrity Match-up product) then the Y (brand image) will be increased by 0.086.

Table 2 Coefficient of Determination and Coefficient of Correlation

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
dimension0 1	.900 ^a	.809	.787	.14304	1.660

a. Predictors: (Constant), Celebrity_mach_up_product, Credibility, Trustworthiness, Expertise, Attractiveness

b. Dependent Variable: Brand_Image

Source: Data Processed, 2012

The value of coefficient of correlation shows is 0.900 (R). The coefficient of determination used in this research is adjusted R_{square} (R^2) because the independent variables is used more than two variables. The value of R^2 is 0.809, which means 80.9% of variation of dependent variable can be explained by independent variables, while 19.1% is explained by other factors.

The result of classical assumptions shows that the tolerance of credibility (0.780), attractiveness (0.726), expertise (0.779), trustworthiness (0.760), and celebrity Match-up product (0.692) are more than 0.10 and the VIF of credibility (1.282), attractiveness (1.378), expertise (1.284), trustworthiness (1.316), and celebrity Match-up product (1.444) are less than 10 indicate that the model is free from multicollinearity. The pattern of the dots is spreading and does not create a clear pattern, also spreading above and below 0 (zero) in the Y axis, thus the model is free from heteroscedasticity. Further, the dots are spreading near the diagonal line and spreading follows the direction of the diagonal line or the regression has passed the normality test. Since the critical value is 1.660 then the model is free from autocorrelation.

Table 3 F-test Result
ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.817	5	.763	37.308	.000 ^a
Residual	.900	44	.020		
Total	4.717	49			

a. Predictors: (Constant), Celebrity_match_up_product, Credibility, Trustworthiness, Expertise, Attractiveness

b. Dependent Variable: Brand_Image

Source: Data Processed, 2012

By using the significant level of 0.05 ($\alpha = 0.05$) and degree of freedom (df) = 5, F_{table} is 2.42 and F_{count} is 37.308. The result is $F_{count} > F_{table} = 37.308 > 2.42$. Since F_{count} is higher than F_{table} , then H_0 rejected and H_a is accepted. It shows that independent variables, which are credibility, attractiveness, expertise, trustworthiness and celebrity Match-up product simultaneously, influence the dependent variable. Therefore, hypothesis 1 is accepted.

Table 4 T-test Result

Variable	T_{count}	T_{table}	Description
X1	7.482	2.015	Accepted
X2	2.148	2.015	Accepted
X3	2.548	2.015	Accepted
X4	2.043	2.015	Accepted
X5	2.114	2.015	Accepted

Source: Data Processed, 2012

Each independent variable, namely: credibility attractiveness, expertise, trustworthiness, and celebrity match-up product partially influence brand image.

Discussion

To determine the impact of celebrity endorsement on brand image in this research based on existing variables contained in the framework of this research by multiple linear regression. There are five independent variables (X) that impact on dependent variable (Y). Independent variables (X) are Credibility (X1), Attractiveness (X2), Expertise (X3), Trustworthiness (X4), and Celebrity Match-up product (X5) and for dependent variable is Brand image (Y).

Credibility of the Endorser

The result shows that Credibility has the most significant influence on Brand Image. Besides Attractiveness, Expertise, Trustworthiness, and Celebrity Match-up product also influence on Brand Image. Credibility has the most significant influence on brand image and it shows that there is a strong relationship between Credibility and Brand Image. Consumers will be able to receive the message in an advertisement when customers see the figure of a celebrity who has good credibility. By Celebrity endorser credibility can give a positive impact on brand image and can provide motivation to the consumer through the brand as an example of

sympathy ad starring Agnes Monica, with credibility and experience that shows in Simpati ad makes the ad attractive and be motivated for consumer especially for young people. Through figure of celebrity endorser that has credibility will give good impact on Brand Image. This research also related to researches conducted in the past, which claimed that once individuals already have a positive feeling about the message that is delivered, even a source that does not have credibility could be more persuasive (Aaker and Myers, 1987 in Hakimi 2011).

Attractiveness of the Endorser

Attractiveness has significant influence on Brand image. Attractiveness of Celebrity Endorser has influence on Brand image. In this research respondent who answered physically attractive influence on brand image. Not just physically, when celebrity endorser can attract consumers with humor or what skill of celebrity endorser, celebrity endorser has impact on brand image. For example Lux soap ad using celebrity endorser that has good looking and good body like Dian Sastrowardoyo, Tamara Bleszynski, Febby Fabiola and etc. Lux's endorser is not has good looking and good body also but also famous actress that give the image of Lux soap is glamour. Examples of attractive ad with humor like Sule in AS ad that give image of AS is suit for young people who want to having fun.

Expertise of the Endorser

Expertise has significant influence on Brand Image. Respondent in this research is interested in the expertise of Celebrity endorser thus providing attraction to the brand image. As an example of Yamaha ad starring by Lorenzo created an image of Yamaha being no.1 for his expertise in the Moto GP rider and can get the overall champion.

Trustworthiness of the Endorser

Trustworthiness has significant influence on Brand Image. In this research respondent give respondent trustworthiness has influence on brand image. Celebrity Endorser should is person who has no scandal or problem with the law and so on because it will reduce the sense of confidence to endorser. When consumers see Celebrity endorser who has scandal then image of celebrity endorser will be poor and it also will have a negative impact on brand image. For example Luna Maya, the scandal that has been circulating so some product which stars should be withdrawn because it would damage the image of the product.

Celebrity Match-up product

Celebrity Match-up product has significant influence on Brand Image. In this research the respondent give respond Celebrity Match-up Product has influence on Brand Image because of the need for match between celebrity endorser with the product what they endorse. With the match between product and celebrity endorser it will create a more effective advertising. As an example beauty product like Ponds beauty the endorser who endorses the product is beauty female that has white skin face as Eriska Reinisa and celebrity endorser product shampoo like Anggun C. Sasmi, Anggun has beauty hair so it suits to endorser product shampoo.

Demographic Analysis

As supporting analysis, this research finds that it is important to observe the demographic analysis of the research. By looking at the gender analysis, respondents are female. Female has dominated on this research Because in general, most women spend their time shopping and watching TV so that women are more easily attracted to an advertisement. At the age demographic, most of the respondents are at productive range because a person's curiosity in productive range greatly in improving themselves. In this period too much to do to achieve stability so that it can open new stuff and wanted to find out what progress is happening and the information is very important for a progress. At the status demography, the most of the respondents are single. When someone does not have a partner then it will be very easy to have an interest in other people than they already have a partner. When the endorser has the appeal it will be easier to be able to receive the messages conveyed through advertising. Another demography is the education level. The most respondents are student.

Students who have a curiosity greater than s1 and s2 and they are still in the stage of looking for identity so that the information they get from endorsers through an ad faster response or be imitated when student interest with ads. Information is also information for student in education. Different way with S1 and S2, S1 and S2 are more focused to what is being the goal and they will consider the information whether fit with their needs or not because they already have enough experience. Based on the data of education in this research finding the

most respondents are college student especially business administration because college student needs more information in a learning and research to be conducted and also college student have more enough time to see and observe the advertising then those who already have a job will be more focused on the job.

CONCLUSION AND RECOMMENDATION

Conclusion

1. Based on F-test result shows all independent variables which are Credibility, Attractiveness, expertise, Trustworthiness, and Celebrity Match-up product are simultaneously influence on Brand image.
2. Based on T-test result shows all independent variables (Credibility, Attractiveness, Expertise, Trustworthiness, and Celebrity Match-up product) are accepted influence on dependent variable (Brand image). Based on the data that show on table 4.2 Credibility is the most influencing factor on brand image with the value of 0.788 compared with other independent variables.

Recommendation

Based on the result that have been obtained the celebrity endorsement have an impact on brand image. So to introduce a product to the public company can use celebrity endorser but also should have to considerate before choosing a celebrity endorser. And celebrity endorsement should have good credibility in the sight of public so consumer can receive the product very well.

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